

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.44,670/bale on Tuesday. ICE cotton futures closed green on Monday.

News: *According to the market sources, Telangana government is targeting to increase the area under cotton by 55–65 percent to about 28–30 lakh hectares as compared to last year's 18 lakh hectares even as the cottonseed industry pegged the growth in cotton acreage at 15 per cent in the upcoming Kharif season. As per USDA report, the all-cotton planted area for the coming season (2022) is estimated at 12.2 million acres, higher 9 percent from last year.*

According to the Gujarat Trade Association, Gujarat Cotton production has decreased from 1.18 crore bales in 2017-18 to 90 lakh bales in 2020-21. In the 2021-22 cotton production is expected to fall to 80 lakh bales. The area under cotton cultivation has decreased from 26.42 lakh hectares in 2017-18 to 22.50 lakh hectares in 2021-22 season. However, the area under cotton cultivation is expected to increase by 2-3 percent in the coming 2022-23 season as cotton prices were stronger in the 2021-22 season.

Cotton sowing in Punjab has begun for the 2022-23 season. Till 19th April 2022, cotton was sown on around 2,500 hectares in Punjab. During the ongoing 2021-22 season cotton was sown on over 3.03 lakh hectares in Punjab. Agriwatch expects area under cotton cultivation to increase in Punjab by around 1-2 percent in the 2022-23 season.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Assam & Meghalaya, and Nagaland, Manipur, Mizoram & Tripura, with lightening at isolated places over Madhya Maharashtra, Telangana, Kerala & Mahe. Heavy rainfall at isolated places over Assam & Meghalaya. Heat wave condition at isolated places over Punjab, South Haryana, Delhi, South Uttar Pradesh, Rajasthan, Bihar, Jharkhand, Gangetic West Bengal, Sikkim, Odisha, Gujarat State and north Madhya Maharashtra and Coastal Andhra Pradesh.

International Fundamentals:

The ICE cotton Futures was higher by 195 points at 141.41 cents/lb. The Cotlook A index was at 156.50 cents/lb. The AWP for cotton was at 136.20 cents/lb.

According to USDA, April month Report, the global cotton production is estimated at 120.2 million bales in 2021-22 season as compared to 119.9 million bales in February 2022. India's cotton crop was unchanged at 26.50 million bales. India allowed duty-free imports of cotton until Sept. 30 as prices in the local market jumped to a record high because of a drop in the production.

According to the U.S. Crop progress report, as on 18th April 2022, U.S cotton planting stands at 10 percent which 1 percent lower from previous season of 11 percent. U.S. cotton planting was higher from past 5 years average of 9 percent.

According to USDA WASDE Report, the 2021-22 cotton production is estimated 340,000 bales higher, with increases for Pakistan and Greece. A 500,000-bale decline in China's expected consumption resulted in a similar decline in the global estimate, which now stands at 124.1 million bales. World trade is projected about 450,000 bales lower this month, with exports projected lower for India, Brazil, and Malaysia.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	26-Apr-22	25-Apr-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12255	12505	-250
	Rajkot	B.T. Cotton	12500	12625	-125
	Patan	B.T. Cotton	12155	11830	325
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	10950	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11300	11200	100
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	11600	11500	100
	Jamner	Medium Staple	NA	11450	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	12539	12669	-130
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11000	12500	-1500
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	26-Apr-22	25-Apr-22	
Punjab	Bhatinda	J-34	9650	9600	50
	Abohar	J-34	9625	9600	25
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9200	9180	20
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	26-Apr-22	25-Apr-22	

Gujarat	Ahmedabad	Shankar-6	17000	17000	Unch
	Gondal	Shankar-6	547	345	202
	Rajkot	B.T. Cotton	2020	2132	-112
	Patan	B.T. Cotton	2460	2235	225
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	30	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1190	1190	Unch
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	10000	10000	Unch
	Jamner	Medium Staple	NA	43	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	637	730	-93
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	10	5	5
Commodity		Lint	Arrivals (Quintal)		Change
State	Centre	Variety	26-Apr-22	25-Apr-22	
Punjab	Bhatinda	J-34	85	170	-85
	Abohar	J-34	51	68	-17
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	340	510	-170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	26-Apr-22	25-Apr-22	
Gujarat	Rajkot	Rs. /10 Kg.	1645	1635	10
Delhi	New Delhi	Rs. /10 Kg.	1520	1520	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1620	1610	10
Maharashtra	Mumbai	Rs. /10 Kg.	1670	1660	10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	26-Apr-22	25-Apr-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2996	2981	15
Maharashtra	Akola	Rs./Qtl	3062	3098	-36

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	25-Apr-22	22-Apr-22	Change
CCIndex(328)	RMB/Ton	22497	22525	-28
CCIndex(527)	RMB/Ton	20822	20824	-2
CCIndex(229)	RMB/Ton	22901	22972	-71

RMB -Renminbi, 1RMB =0.16 \$U.S.

China Foreign Cotton (FCE) Index :

Index	Unit	25-Apr-22	22-Apr-22	Change
FC Index (S)	Cents/lb	154.35	156.46	-2.11
FC Index (M)	Cents/lb	152.75	154.87	-2.12
FC Index (L)	Cents/lb	151.22	153.34	-2.12

Cotlook Index:

Cotlook Indices	Unit	25-Apr-22	20-Apr-22	Change
A-Index	Cents/Pound	154.5	156.7	-2.20

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		25-Apr-22	22-Apr-22	Bales
Southeast	cents/lb.	135.41	138.1	-
North Delta	cents/lb.	134.41	137.1	-
South Delta	cents/lb.	134.41	137.1	-
East TX-OK	cents/lb.	127.41	130.1	-
West Texas	cents/lb.	127.41	129.35	-
Desert SW	cents/lb.	126.66	129.35	-
SJ Valley	cents/lb.	127.16	136.5	-

Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4



Pakistan Cotton Spot rates: As on 25-Apr-2022				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	20200	180	20680
Equivalent	40 Kgs	21648	193	22163

Daily Futures Price Listing Monday, Apr 25 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220425	138.32	141.41	138.32	141.41	+1.95	3,259	829	-1,766
Jul-22	220425	135.76	136.26	132.33	135.41	-0.44	9,537	99,053	+13
Oct-22	220425	123.79	124.63	124.63	124.36	+0.01	3	45	+1
Dec-22	220425	119.32	119.36	116.29	118.28	-0.88	5,837	75,088	-66
Mar-23	220425	115.54	115.54	112.75	114.49	-1.08	1,161	12,976	+40
May-23	220425	110.83	110.83	108.60	110.05	-1.14	50	2,999	+14
Total Volume and Open Interest							19,951	205,029	-1,745

Source: MRCI

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